



COTSWOLD DISTRICT COUNCIL

Council name	COTSWOLD DISTRICT COUNCIL
Name and date of Committee	AUDIT COMMITTEE – 30 JANUARY 2020
Report Number	AGENDA ITEM 10
Subject	KPMG LLP REPORTS – HOUSING BENEFIT SUBSIDY CERTIFICATION
Wards affected	None
Accountable member	Cllr Mike Evely. Deputy Leader and Finance Tel: 07850 373022 Email: mike.evely@cotswold.gov.uk
Accountable officer	Jon Dearing. Group Manager : Resident Services Tel: 01285 623000 Email: jon.dearing@publicagroup.uk
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Summary/Purpose	For the Audit Committee to receive and discuss the Housing Benefit Subsidy Grant Certification Letter for 2018/19.
Annexes	Annex A – KPMG Housing Benefit Subsidy Certification Letter
Recommendation/s	<i>To note the outcome of the housing benefit subsidy certification work</i>
Corporate priorities	Ensure that all services delivered by the Council are delivered to the highest standard.
Key Decision	No
Exempt	Yes
Consultees/ Consultation	Section 151 Officer Monitoring Officer Head of Paid Service Senior Management Team

1. BACKGROUND

- 1.1. The housing benefit subsidy audit had until recently formed part of the procurement process for external audit, which was carried out on behalf of local authorities by the Audit Commission.
- 1.2. Since the demise of the Audit Commission, the Council has approved the use of PSAA Ltd (a company established and owned by the Local Government Association) to procure its external audit services.
- 1.3. Due to changing legislation, the procurement for external audit services from 2018/19 onwards could not include the audit of the Housing Benefit Subsidy claim. Therefore, with effect from the 2018/19 financial year, the Council has been required to procure this specialist service directly and has procured the services of KPMG LLP to carry out the Housing Benefit subsidy claim audit for the 2018/19 and 2019/20 financial years.

2. MAIN POINTS

- 2.1. The Certification process aims to ensure that subsidy claims are fairly stated and provides assurance that the housing benefit scheme is being administered correctly.
- 2.2. During 2018/19 the Housing Benefit Team administered over 15,375 changes in circumstances, and paid out approximately £15,898,000 in Housing Benefit. The total subsidy claimed for by Cotswold District Council was £15,818,000. There was also £329,821 of Housing Benefit overpayments raised of which approximately 50% has been recovered, with the remaining balances being recovered through repayment arrangements.
- 2.3. The Certification Letter (Annex A) summarises the key findings from the work carried out by KPMG LLP on the Council's Housing Benefit Subsidy Claim for 2018/19.
- 2.4. There were no adjustments to the claim; however, as in previous years, the claim was qualified.

The audit has not given any recommendations on what the Council should do to improve processes for future claims; however, internal controls including the quality and assurance checking on claims will continue.

3. FINANCIAL IMPLICATIONS

- 3.1. The fees for the Housing Benefit Subsidy certification work will be in line with budget.

4. LEGAL IMPLICATIONS

- 4.1. There are no legal implications in respect of this report.

5. RISK ASSESSMENT

There are no risks associated with this report.